

ORAL HISTORY INTERVIEW #444-1

with

Frederick P. Lowrey (FL)

February 13, 1992

Makiki, O`ahu

BY: Warren Nishimoto (WN)

WN: This is an interview with Fred P. Lowrey, on February 13, 1992, at his home in Makiki, O`ahu. The interviewer is Warren Nishimoto.

Okay, why don't we get started.

FL: Sure.

WN: You know, Mr. Lowrey, why don't we start by having you tell me when you were born and where you were born.

FL: Okay. I was born on November 11, 1911, which means my birthdate is 11-11-11, so I'll have a hard time forgetting that (laughs).

WN: Was that planned at all?

FL: Pretty hard to plan.

(Laughter)

FL: Pretty hard to plan, I suspect.

WN: I knew someone who was a 10-10-10.

FL: Really?

WN: Yeah.

FL: I'll be darned.

WN: So now I'm looking for a 12-12-12.

FL: Great, great, great. You'll probably find one. My father and mother had been married very early in 1911. I came along pretty soon after they were married.

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They were married in Santa Rosa, California, where my mother lived, and then went down to the Grand Canyon for a honeymoon, then came right to Honolulu. And I guess by the time she got to Honolulu—well, not by the time she got to Honolulu, but within a month or two afterward, why, she knew she was *hapai*. I guess they decided when they first came not to buy a house right away. They stayed with my grandfather and grandmother, who lived at Lunalilo and Victoria Street. At that time, they had about half a block in there. It was right *mauka* of the W. R. Castle place, and it was kitty-corner from the Wickman house, and it was right below where the—oh god, can't think of the name of it. Anyway, (his son, Stanley Kennedy) started the Hawaiian Airlines, his family had a place in there. Anyway, Jim Dole (and his children) lived about a block away from there, and there was a large group of people lived in that area.

Anyway, I was born in that house, in November of that year. They had already drawn plans for a house up Manoa. They'd bought a piece of property on what was then called Jones Street, later renamed because (people) didn't like the name Jones (laughs). And so they named it Alaula, which I understand in Hawaiian means running east and west, or running toward the sun, or something like that [*lit., early dawn light*]. Anyway, it runs off Manoa Road, and it's parallel to East Manoa Road, one block *makai*. And they had plans for—the house wasn't finished at the time that I was born, so I was born down in the Lunalilo Street house. And then, very shortly after that though, and I'm not sure exactly when, certainly by the first of the following year, the family moved up Manoa, and I moved up there with 'em. And I lived up there on Alaula Way for all of my life, up to the time that I went away to college. And as a matter of fact, after coming back from college, and not knowing just what I wanted to do, and being unmarried at that time, I lived with them and paid 'em rent for a year and a half that I was there before I decided to go back to business school. When I came back, I was married at the end of the time that I was at business school, which was in September of '37.

And so when I got back here, around November of '37, why, I'd written to my mother and father to see if they could find a house for us, and they found a house up in Nu`uanu. Geez, I've forgotten the name of it (Coelho Way). I could take you there, but I can't remember the name. Anyway, it was about halfway up Nu`uanu Valley, on the left, you turn off on one of those little lanes that runs in there. Nice, nice little place, and good location. And we were there for some months, and then I moved back into Manoa into another house (on upper Manoa Road) before we started to build our own house up on the top of Maunalani Heights. But I'm getting ahead of . . .

WN: Okay, tell me something about the house in Alaula Way.

FL: This was an interesting house, it was built on the side of the hill, which was fairly steep there, so it had a fairly big basement in it. You had a quite a long flight of stairs, cement stairs going up to the first floor. And the first floor

originally had a living room and then a sort of a separate living room that was joined to it, and a front entrance hallway that you went into through the front door. That was to the right on the *mauka* side. To the left was the dining room. And then there was a door into a pantry, and then into the kitchen from there. And then there was what we call the back hall, where, oh, we ate breakfast there sometimes, or grabbed an extra meal there and so on. And that house stayed the same for quite a few years. This was built in, say, finished in 1912—it wasn't really modified or expanded until about sometime in the late twenties, maybe '26, '27, '28. And then the living room, the two sort of parts of the living room were merged into one big room. And then they built a big lanai along the back. I guess my dad and mother had always had in mind that they wanted to add on to the back side, what we call the back side of the house, which would have been the 'Ewa side. And so as kids, my family were always very—well we had our chores to do around the house, and—which were, a lot of 'em were for free. In other words, this was our contribution. But on the other hand, if we did other jobs that they wanted us to do, why, then they'd pay us. Twenty-five cents an hour, or twenty cents an hour, something like that. And so they wanted the back of the house dug out. We were on top of a cinder cone there in Manoa Valley, and so it was relatively easing digging. And the material could be wheelbarrowed—you'd dig it out, and shovel it into a wheelbarrow, then wheelbarrow it out and dump it. And the slope of the land was such that we could then create a terrace, flat terrace that went way out into the back. I guess the terrace must have been, oh, a hundred feet long, and so on, and the back of it—the hill was steep back there—so that the back of it must have been, oh, twenty or twenty-five feet high. And then we got into rock, quite a bit of rocky area so we couldn't go much deeper. And we did that as kids, and I remember my next brother to me was just two years younger, so we did a lot of that work. We didn't do it all. The family had other people come in, and do some work from time to time.

WN: When you said chores, what kind of chores did you do for free?

FL: Well, there was always our own room. There was always our own room that had to be kept up. And . . .

WN: Did you each have a room?

FL: No, no. Let's see, my father and mother had a bedroom. And then there was a little bedroom alongside of them, which was always kept for the youngest, the baby in the family, and seeing there were six of us, why, that was pretty well taken (laughs) by others. So I don't ever remember living in that or sleeping in that room. There was another big bedroom on the second floor, and then what we call the big sleeping porch, which was out over the kitchen. And I think three of us lived out there. There was my brother, John, who came along next, and then Dwight was next. And then I had two sisters. We had to split up that way. So I guess the girls got the bedroom, and we kept the sleeping porch, and so on. When that was done, we added an extra

bathroom in there, so that the girls had their bathroom, and we had ours. But the house was never enlarged very much, but it was, you know, ample.

WN: Was it two stories?

FL: Well, in a way, it was three stories, because it was built on the side of the hill, so there was a big basement. There was a large basement in it. The laundry was down there, and, you know, this was the days before washing machines. I can remember when we first bought a washing machine. So the laundry was originally done in tubs, and there were these great, big tubs that we had. And then there were long lines in the basement, in order to dry the clothes, inside the house and so on. I guess there were clotheslines outside, too.

Then we had enough land surrounding it, so we always had a garden. And grew a lot of our own vegetables there, flowers. And there was lot of room for recreation. We had a, what we called the sand house. It was small structure with a roof on it and then a lot of sand in it. And this was great for small kids to play in, you know, as soon as they got to be one or two years old, they'd go down and play in the sand there, and that sort of thing. And then we had other types of things. My family was always very good about our recreation-type facilities. For instance, they let us—we had to do it ourselves, usually. But for instance, they let us build a pit for high jumping and pole vaulting, and then, you know, we'd go down and buy the sawdust and the rice husk to put in there, to mix in the place, so we had our own high jumping and pole vaulting area. I was never very good at pole vaulting.

(Laughter)

FL: Or high jumping, I guess, probably. But my brother was not too bad at it. The neighborhood around us at that point had some fairly large homes, so that there was some fairly big areas, and they were always very good about letting us use those areas. So we played touch football, or baseball, and so on, often on other people's property.

WN: Was the neighborhood mostly *Haole*?

FL: At that time, I think so. The family that lived next door to us was Charlie Hemenway. You know him from the 100th Infantry [*Battalion*], or the 442nd [*Regimental Combat Team*], I guess. He was a professor at the University of Hawai'i, and then went to A & B [*Alexander & Baldwin, Inc.*], and then became, later, president of Hawaiian Trust Company. And he was always sort of a second father to me, wonderful guy, wonderful man. He had one son who unfortunately got pneumonia when he was about sixteen, seventeen, and died, and this was a terrible shock to him. I can remember being with him the day or two before, and I knew he was pretty sick, and he just never recovered from it unfortunately. But we—we were, well, he was a year or two older than I was, why, we were very friendly, so we did things together a lot.

And there were a lot of other neighbors. We had the Hemenways on one side, there was a family named Sutton on the other side. He was an officer at Von Hamm-Young Company. Across the hill, on the other side, was Judge Lindsey, who had two children, both of whom have died. He was a chief justice of the Supreme Court here for years. Then, on the *maka'i* side was the Guard family. I don't know whether you know Jackie Guard—there were several Guard kids.

WN: Guard? Did they go to Punahou [*School*]?

FL: Yeah, they all went to Punahou.

WN: Was that one—well, one of the Kingston Trio was a [*Dave*] Guard.

FL: Well, that's (not) the same family. Let's see, there was a—I think there was a girl was the oldest, and I think she lives on Maui now, I've forgotten what her married name is. So you asked whether the neighborhood was largely *Haole*, I would say at that time quite definitely. Quite definitely. We were probably a, what, a mile or two from Punahou, and so we either rode our bikes to school, or we walked to school, generally, although there was a streetcar down on Manoa Road, and you could take the streetcar right to Punahou. But I remember walking a good part of the time.

WN: And so most of the kids who lived there went to Punahou?

FL: No, not necessarily. There was a Burkland family. I don't know whether you know Reynolds Burkland. He was at A & B, and then did quite a bit of volunteer work at the Bishop Museum. I think he's pretty much fully retired from that now. And I, I don't remember their going to Punahou. I think they went to Roosevelt [*High School*]. So I think we had quite a mixture of kids there, and not all of them Punahou, by any means.

WN: Tell me something about your grandfather [*Frederick J. Lowrey*], what you remember about him.

FL: Well, he was really a wonderful man. He came down here—his sister had come down to Honolulu when she was sixteen years old. They were born in Pittsfield, Massachusetts. Why they left Pittsfield and moved to Oakland, California, I don't know, except I think it was too cold for 'em in Pittsfield. And they were looking for warmer weather. They may even have had this, what I call Raynaud's reaction. It's family type of, hereditary type of an affliction. I know several of my cousins have it, so I know it's in the family. So I can, I'm drawing out a wild conclusion, but I suspect that they didn't like the cold and wanted to move.

So, anyway, they moved to California from Pittsfield, Massachusetts, probably in the late fifties, 1850s, or maybe, probably, the sixties. And at the age of sixteen, my grandfather's older sister, her name was Ida, I-D-A, got a

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job, almost like a nanny, taking care of four young children who were coming to Honolulu with their parents. And their parents, the father and mother, were wise enough to know they were gonna be on this ship for three or four weeks, on the trip down here, and so they hired her, on some basis, to come down here with 'em, and she took care of the kids. And they stayed here for something like six months, so she got to know a lot of the local people. My family were staunch Congregationalists, and of course, the missionaries down here were staunch Congregationalists, so she got to know a lot of the kids of them, probably went to the Congregational church here and all. And I guess among those that she met was W. R. Castle. She went back to California and was there for a couple of years. Then he got to be college age, and he went to Yale to college, I believe. Maybe Harvard, I'm not sure, one or the other. And then went to law school at Harvard, and then went to Columbia. This got to be along about 1875, and they were married. They had kept up a friendship from that time. The two of them had met down here, because he going back and forth to college would have to go through Oakland and take the train from Oakland, and I suppose they saw each other every time, or often when they went through.

Anyway, they were married in Pittsfield, Massachusetts in '75, and he at that time had finished college. He had also gone to Columbia, to law school, in addition to Harvard, I think. And had a job with one of the law firms in New York, and that's why he couldn't get away to come back to Oakland to marry. So he got her to go to Pittsfield, where they had friends, and she had friends, and I guess there were some relatives still there, and they were married in Pittsfield, and then went back to New York. And they hadn't been back in New York for more than two or three months, when he got a letter from King [David] Kalakaua, as I remember this, asking him to come down here and be his attorney general for the Kingdom of Hawai'i. And he accepted it. And so they came down here to live, this is 1875.

WN: What kind of contacts did he [W. R. Castle] have with King Kalakaua, prior to that?

FL: I think that probably his father knew King Kalakaua. And the Castle family, as well as a lot of the others, were, I guess, close to the royal family. (Many of the missionaries and other well-educated people held prominent cabinet positions in the Kingdom of Hawai'i.)

WN: Through the contacts with his mother, Ida, and his father?

FL: Well, W. R. Castle, that's William Richards Castle, was the one who married Ida, and it was his father who probably knew Kalakaua, and Kalakaua, of course, may have known (W. R.) as a kid, and so on. I just don't know. I've asked some of the grandchildren. There's one grandchild here of that family still living, and I've asked him, but he knows nothing about that history, so I've never been able to fill in on that.

WN: Okay, go on, sorry.

FL: Anyway, W. R.—that's William Richards and Ida Lowrey Castle—came back here to live in, sometime before the middle of 1875. And she kept writing letters back to the family in Oakland, saying what a wonderful place it was, and what the opportunities were here, and so forth and so on. So my grandfather decided, gee, maybe this was the place to come to. He had finished grade school and had gone to, what at that time they called sort of a business school, which was almost like, sort of two years of high school, and he never finished high school, but he did finish business school, and then had a job in San Francisco as a bookkeeper, as I remember it. And she kept writing, saying, "Come to Honolulu."

So he wrote and indicated that he was willing to come and they offered him a job at Castle & Cooke, originally, but by the time that letter, which took four or more weeks to get back to the coast, and then his reply, which took another couple of weeks to get here, the job had been filled. In the meantime though, he started to Honolulu and got here, found that the job at Castle & Cooke was filled, so he looked around town and found a job at Lewers & Cooke. So he started in as a bookkeeper at Lewers & Cooke in 1879. And we know the exact date he started, because you can see his writing starting in the journals at Lewers & Cooke, and these journals are all out at the Bishop Museum. He was a person, apparently, who liked to keep records. He was a whiz at figures. He could take a column of figures, and go down it like this, and add it up, and come out (chuckles). As a matter of fact, I can tell you a story, that when Lewers & Cooke bought their first adding machine, he wouldn't trust it.

(Laughter)

FL: He made 'em do it manually, (laughs) until he would trust an adding machine. And later on of course, why, he gave up doing it. But he just had one of those minds that could handle figures and so on that way. So anyway, he comes down here in '79, starts work, and then a year or two after that, a girl who I think he had known in Oakland, but we don't have much record on this, was called by the Kawaiaha`o Seminary to come down and teach at Kawaiaha`o Seminary, which was a school that the missionaries had set up through Kawaiaha`o Church, and so on. So she came down here and taught at Kawaiaha`o Seminary for a couple of years, and then Punahou apparently decided that she would be good at Punahou, and so she was hired away from Kawaiaha`o to Punahou, and became a second-grade teacher at Punahou, and also was assistant principal of the lower school at Punahou. And then she and my grandfather were married, must have been in the early eighties then. I don't have that date in my memory. But now to get back to my grandfather, we had, the family had a quite a close relationship, and they would come up to our house. They had a car, we didn't have a car until 1917 or '18, I think, my family was able to get a (Buick), first automobile. So they would come up and see us on Sundays, and that sort of thing. And then my grandmother got

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very interested in the things that later turned into the Outdoor Circle, and she was one of the ones who started the Outdoor Circle, was the president of it for the first, I think, five years. (She was also on the City Planning Commission.)

WN: What was her name?

FL: Her name was Cherilla, C-H-E-R-I-L-L-A, Cherilla Lillian Lowrey.

WN: Okay.

FL: And her maiden name was Storrs, S-T-O-double R-S. And to get back to my grandfather, why of course, I would see him down at Lewers & Cooke, if I were down there with my father, and would see him. They had a chauffeur who they may have sent the car up and picked us up and we'd go down there for lunch, and so on. And then, in those days, you know, you didn't have radio, you obviously didn't have TV, so you were always doing other types of things for recreation, and so on. And one of the things that the family liked to do was to go on picnics. And I can remember many, many picnics to all parts of this island, way, way back, when cars were completely open. You know, long before the days of glass on the cars, and if it rained, you had these side things you had to pull down, or put around to keep the water from coming in.

And I can remember long trips to Waimanalo, and boy, the roads in those days were something. And the road to Waimanalo was very different from the road to Waimanalo today, went down different, went in back and down. But the beaches were wonderful, and there were some wonderful places to eat down there. The Waimanalo [*Sugar*] plantation, to protect the sugarcane from the winds, built a windbreak of ironwood trees, and that ironwoods trees were a wonderful place to go down for a picnic, because it was shady and so on. And I can remember several picnics down there. I can remember picnics down at Sunset Beach, and I remember it was so hot down there at times, you'd go in and you'd get under the bridge that went across the streams, and we'd eat in under there because it was so much cooler than trying to be out in the sun, and so on.

And then another place that we drove to several times was Waimea [*Bay*] Beach, and those are the ones that just happen to come to mind.

WN: Those are long hauls. I mean . . .

FL: They were.

WN: . . . in those days.

FL: They were long, they were all-day trips. You started out early in the morning, you didn't get back until dark. And the roads weren't all that good, they weren't paved in a lot of cases. And then as I got older, why, sometimes

when my family would go off to the Mainland, and take the younger kids, they'd leave John and me, who, we're the two oldest, they'd leave me with my grandfather. My grandmother died very suddenly in 1918 of a massive stroke, and so we lost her at that time, so I can remember staying with my grandfather. He was a very strict person, but with a strictness, he always had a twinkle in his eye, and he was always, you know, he was a very interesting (and gentle) person. I had a great admiration for him.

(Even though it is now sixty to seventy years since these particular discussions took place, they are quite vivid in my mind.)

(One of my first and foremost impressions of him is how careful he was about money matters. He was very strict in the sense of making us realize the responsibility of money—what we did, how we used it, and so on. For instance, he taught me my first lessons about the use of debt. He made the remark that all debts are always repaid. He meant by this that if the borrower does not repay the lender who loans the money, then the money is not repaid and the lender pays the bill to balance his account. In other words, the lender loses what he loaned. He pays the loan. And therefore, all loans are always repaid. This was one of my first lessons in money management and it has stuck with me ever since. And it is why when I was at college and started reading about Keynesian economics, I was very reluctant to accept the Keynesian theory and really never have and feel that it is why we have gotten ourselves into so much trouble since the 1930s when [*President Franklin D.*] Roosevelt started to use it.)

(My grandfather was full of stories of old Hawai`i and so we got many glimpses of this through him. He also had one of the early electric runabouts here. It was an open car, electric, and the intriguing thing to me was that it didn't have a horn on it like most automobiles but had an electric bell on it. For some reason, this was always interesting to me.)

(Another very clear recollection I have is his telling about how they paid the bills in the early days. Paper money and banks weren't all that normal, and while a lot of transactions were handled that way, a lot more were handled by cash. And he at Lewers & Cooke felt he wanted most of the bills to be paid by cash and he described the way that they did it. They put either gold or silver coins in a wheelbarrow and went around from place to place and paid their bills that way. This was a very interesting memory of the days from late 1880s when he started until banking and checking and so on became a lot more acceptable.)

(Many of his stories also were related to the Lewers & Cooke sailing vessels. Lewers & Cooke, being in the merchandise business and bringing in a significant part of the lumber, had to have transportation, and in its early years had no ships of its own so had to charter or get space aboard a ship to bring its lumber in. But then sometime in the sixties or seventies, they bought a barkentine ship by the name of *Hope*, H-O-P-E. She, however,

burned in 1889 and so was lost, and Lewers & Cooke was in a problem. Fortunately, however, several of the partners of Lewers & Cooke had—and some, perhaps, nonpartners—had contracted with a company in Seattle to build first the *Robert Lewers* and a year or so later, the *Alice Cooke*. These were four-masted sailing ships with a fore and aft rig and were very adaptable to the Hawaiian trade. Running before the wind to Hawai`i but having to beat back the windward were more efficient than the square-rigger type vessels that more often had been used. The *Robert Lewers* was, I believe, delivered in 1889, and the *Alice Cooke* was delivered in 1891. They were pretty much sister ships with the exception of the rigging of the spanker mast—that's the last of the four masts. The *Robert Lewers* had a gaff rig, but the *Alice Cooke* was rigged with a fore and aft, but no gaff, but had then what was called a ringtail topsail, which gave her the full sail complement of the *Robert Lewers*, but she was easier to handle running before the wind, was easier to bring her about.)

(As the First World War began to come about, the American Hawaiian Steamship Company which supplied Hawai`i with a lot of its materials either had to or did withdraw some of its ships from Hawai`i, leaving Hawai`i with an inadequate shipping capacity. So, Lewers & Cooke, in 1913—by the way, the company at that time only had eighty employees, giving you some idea of the size of the company at that time—but the company bought a three-masted schooner by the name of *Repeat*. She was called a baldheaded schooner in that she had no topsails. She was much smaller than the other ships, the *Robert Lewers* and the *Alice Cooke*, but she was able to enter many of the smaller lumber ports on the Pacific Coast and did a great job for the company during the war. The *Repeat* was sold during the latter part of World War I, leaving the company with just the two four-masted sailing schooners, the *Robert Lewers* and the *Alice Cooke*.)

(I think I showed you paintings of the two that are on my wall here. I was fortunate in being able to pick these up from Champion Paper Company when they liquidated all their operations in Honolulu and have enjoyed them ever since. They have always been very meaningful to me because as a little kid I used to see these pictures on the wall. And one of the things the family was always interested in was the movement and the arrival of these ships because it meant the arrival of new inventory for sale and talks with the captain and other crew members who we, in a way, got to know.)

(The ships were a great asset to the company during the years that they ran, but there were major problems. At one time one of the captains was swept overboard in a storm and lost at sea. And there were other accidents aboard the ships, which were, of course, problems. The *Robert Lewers* sailed from the time she was delivered in 1889 until approximately the early twenties, when she unfortunately tried to get into the Straits of Juan de Fuca and was not able to make headway against the storm. The tug had been called and came out to try and pick her up, but the tug was never able to get a line aboard her and she ended up on the rocks on the southwestern coast of

British Columbia, Vancouver Island, and was a complete wreck. All the crew were saved, but the vessel was a complete loss. The *Alice Cooke* continued to sail until about the middle twenties when unfortunately she ran into a very severe storm off the Columbia River and the port of Astoria and was severely damaged to such an extent that the company had the ship towed to Astoria and she was never used to haul lumber again but was sold to an Alaskan ship cannery and used as a barge platform.)

(In the meantime, after the war, needing a greater lumber capacity, the company bought a used four-masted schooner, the *Commodore*, in about 1920 or '21, and the *Commodore* was quite a bit larger than either the *Robert Lewers* or the *Alice Cooke*, carrying approximately a million-and-a-half feet of lumber against the million feet that the other two had carried. And the *Commodore* operated successfully all during the twenties and into the early thirties. But beginning in the thirties with labor problems starting and stevedore problems on the Pacific Coast in the Pacific Coast ports, it got more and more difficult to be sure whether we could get lumber, number one, and if we got it aboard, when we would get it to Honolulu. About 1935 the company decided to give up the last schooner, the *Commodore*, and she was sold to the Matson Navigation Company, and the company then used Matson to bring in all of their lumber from the Pacific Coast with the following exception. There were ports from northern California through Oregon and Washington that were where the bar and the channel going into the lumber loading docks were so shallow that the Matson lumber ships could not get in. So, arrangements were made with barge companies to go in, pick up the lumber, and then a tug would pick up the barge and bring the barge to Honolulu. This was done to some extent but was never a great part of the lumber trade coming into the Islands, as far as Lewers & Cooke was concerned. Later on, other companies used barges to a greater extent.)

(Finishing up with the schooners, on a more personal note, my father tells the story that one of his early boyhood recollections was a party given aboard the schooner *Alice Cooke* in 1891 after her arrival in Honolulu on her maiden voyage. The party was given by Mr. and Mrs. Clarence M. Cooke for their daughter Alice for whom the ship was named. Alice Cooke later married Philip E. Spalding, who was at one time a vice president of Lewers & Cooke before leaving Lewers & Cooke and moving over to C. Brewer & Co., where I think he stayed until his death many years later.)

(Two other personal recollections, which may be of interest. Believe it or not, my brother John and I saw our first snow and ice aboard the *Commodore*. This may be hard for you to believe, but what happened was that the lumber would be cut and stored in the Pacific Northwest. And in the wintertime with the weather well below freezing point, the lumber got extremely cold. And then it was loaded aboard the schooner in this very cold condition. Then it might snow during the operation. So that when the ship arrived here and they took off the deck cargo, why, that had probably thawed out during the thirty days or so at sea coming down. That was about the average time it

took. Some trips were as slow as twenty-three or -four days, and some might last as long as thirty-five to thirty-six days. Anyway, the deck cargo would thaw out, but when they broke into the hatches and started to unload the cargo below deck, why, there was some snow and some ice. And so, here were two little Hawaiian kids, my brother and I, we'd go down there to see the ship and visit and see how the unloading was coming along. And below the decks, here was snow and ice. So this was our first experience of seeing that, at least on the ground. We might have seen it at a distance on Mauna Kea or Mauna Loa, and so on.)

(Just one other piece of information. In the summer that my father or the time that my father told me that he could no longer cover any further costs on my college, I guess was after my first year, I looked around to see what I could do about earning my way through. And it seemed to me that it was going to be pretty difficult job to do, and I thought, well, the better thing to do at that time was to come back to Honolulu and try and get some sort of a job here. So, we drove across the continent, which only cost us twenty dollars the way we did it—dividing up the cost amongst four guys—and then I was able to get transportation from San Francisco to Seattle on a freighter and that cost me, as I remember it, twelve dollars. I went down to Tacoma where the *Commodore* was loading and had already made arrangements for me to come down as a working hand, ship's boy or something, anyway, to be of some help. And so I helped out during the loading process around Tacoma. Also spent quite a bit of time in the mill that was cutting the lumber for the vessel so that I learned something about logging and lumber operations of milling and so on, and the loading of the vessels. And then I came down aboard the *Commodore*. We finished loading late on a Friday, as I remember it. And on a Saturday, we called for the tug to pick us up in the morning. And we had to test the compasses and so on, so the tug moved us around various places as we tested the compass to make sure that they were all right. And then the tug hauled us from there up Puget Sound past Seattle and then out the Straits of Juan de Fuca. And very late that Saturday afternoon, probably four or five o'clock, the tug cut us loose about thirty miles off Tatouch Light, which was the marking point for the south shore of the Straits of Juan de Fuca.)

(So we were under sail at that point and started out, hopefully, to Honolulu. But that night was a dead calm and (chuckles) the dead calm continued for one full week. And the following Saturday night, we could still see Tatouch Light, which meant that we had moved in and out with the tides for seven days and made no progress whatsoever toward Honolulu. Fortunately, however, the winds came up that night and we were off to Honolulu and had a pretty good trip until we got off the north coast of Moloka`i, north of Kalaupapa, at which point we ran into another case of no wind. Of course, Lewers & Cooke in Honolulu knew the ship was there and they (chuckles) at this point needed the lumber bad enough so that they sent a tug out to pick us up. And it was a very enjoyable moment to have the *Mikioi* or whichever one of the other tugs it was come alongside and have Jack Young, who was

skipper of the tug, wave to us and get their line aboard and tow us from Kalaupapa into Honolulu.)

(I don't seem to have any recollection as to just how long that took, but it was a fascinating trip to be aboard one of these schooners and see how they operated. They had no power whatsoever aboard except a steam winch which could be used to haul sails up and down and that sort of thing if necessary. We had no cold storage. The iceboxes were filled with meat and so on, but they were such that they only lasted for about three days. And then, all of our fresh meat was gone and we lived on salt pork and salt meat, beans, and other cereals and so on for the trip. It's really interesting what you can do with some of those products and make very worthwhile and enjoyable meals out of them. I learned to like beans and have always liked them since as a result of that trip. But it was a real experience to see how lumber was brought down in the old days. And of course, at that time, we still were using the *Commodore*, but it was only a few years later that the labor problems and other considerations made it worthwhile to sell her. Another very important consideration in selling the *Commodore* was that she brought in a million-and-a-half feet, which was a significant part of our year's sales. And if she made four trips a year, which was the best that she ever did, why, our lumber came in in four chunks during the year, which made handling inventory extremely difficult and it meant we would run out of certain things and also it was harder and harder at that time to find mills in the Northwest who could take the *Commodore* and fill her from their docks. So that when you added the inventory problems, the unknown delivery problems, and the labor problems, and so on, it made it probably very wise that the company sold the *Commodore* within a year or two after that trip that I was fortunate to go on her.)

But anyway, coming back to my grandfather, I remember spending one part of one summer with him, my brother and I, John and I. And it was a very interesting summer because it gave me a very different perspective on—instead of a father, you had a grandfather back and a lot more history involved and so on. He was a really wonderful gentleman. He was very interested not only in Lewers & Cooke, but (in all aspects of the world). I think he was one of the original stockholders and started O`ahu Sugar Company. I know W. R. Castle, who was his brother-in-law and they lived next door to each other, was instrumental as one of the founders of `Ewa Plantation and I think my grandfather had something to do with O`ahu Sugar Company. I know he was an officer of it and director that time.

And also, he had something to do with the Wai_hole tunnel. Because I've seen pictures of the opening of the Wai_hole tunnel, which brought water through the mountains. It was the first tunnel that was put through—well, I guess it's the only tunnel through the mountains—still operating. And the only way you could grow sugar on the O`ahu [*Sugar Co.*] lands was to get water. And so this was the whole reason for putting that tunnel through. And these guys, they took fantastic risks. I don't think you and I would even

consider. Imagine going out and drilling a *puka* through the mountains to get water to start a plantation. I don't know the history of all of that. It's all probably been written up many times, but anyway, he always had interesting stories like this to tell us.

WN: Did he spend a lot of time at Lewers & Cooke?

FL: Did he?

WN: Yeah.

FL: Oh, he stayed there until practically the day he (could not walk any longer). He gave up the active title. . . . No, let me rephrase that. He gave up his responsibility for the active management about 1928 and my father was made manager, but my grandfather was still president. My father was vice president and manager at that time. And then. . . . I'm not sure when he retired as president. Maybe in this book . . .

WN: They have. . . .

FL: It's in that book.

WN: Well, 1903 to '41. And your father took over in 1941 as president.

FL: You're right, you're right. So he must have. . . . Sometime around 1928 or '29, he gave up the, more or less, the active management to my father, but he stayed on, as you say, you're right. It's in this book here, too. This is the same one that you saw the other day.

WN: It's *One Hundred Years of Building in Hawai'i*.

FL: Yeah, yeah.

WN: Okay. Let me turn the tape.

WN: (Taping distorted.) So, you started Punahou [*School*] from the time you were. . . .

FL: I started Punahou when I was five years old, so it must have been around fall of 1916 or fall of 1917. And in the first grade, we were—Bishop Hall was still where the first grade was at that time. And I can remember very well the room where I first went to school there. We stayed in that building until, let's see, first, second, third, fourth, fifth, sixth grade. So through all six grades, we were in that Bishop Hall. That building now has been completely torn down quite a few years ago and there's another building in its place now.

Seventh grade was up where the present elementary school is now. It actually was an old—I think it was part of a dormitory system. In those days,

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lot of the kids lived on the plantations around. They couldn't come in every day. No transportation. All the kids on the neighbor islands, there were no schools to go to there that would prepare them for college and so on in the way they apparently wanted to be. And so Punahou had a large dormitory system, one for girls and one for boys. And the boys' part was later given up about the time that, I guess, I went into seventh grade because seventh grade was up at this other. . . . I can't remember the name of the dormitory at the moment. And the girls' dormitory was kept for many years after that 'cause it was still in existence when I finished high school at Punahou. So I was there for seventh and eighth grade, maybe ninth, and then we moved down to Pauahi Hall, which has now just been renovated, for, I guess, ten, eleven and twelve. And then there were a couple of surrounding buildings there that have been torn down. They were all wooden buildings at that time. They've been torn down and new modern buildings have been put in.

So, those were my high school years. They were reasonably happy years with a good group of guys. The athletics were great. I never was an athlete in any way, but I went out for track and cross-country, I guess. And gee, I don't remember all, but I do remember that I never was good enough to take a win or place and so on. Ginky Crozier—I don't know if you remember the name or not. Ginky Crozier was the track coach at Punahou in those days. He decided that having three or four places was bunk, so he always ran his meets where there were twelve places that counted. (Chuckles) So the guys who were as good as twelfth, at least they felt they'd won a place. I never even won a twelfth place, I once came in thirteenth.

(Laughter)

WN: Just missed out.

FL: (Laughs) Just missed out. But those were really happy years. School was always kind of tough for me. My grades were never all that good. I did well in math. English was difficult. Latin, French, and English were really difficult. I remember my college board grades were horrible, except in math. In math, in geometry, I got a 90—those days, they marked on the basis of 100. Now, they mark on the basis of 800 or something. So I remember getting a 93 on my college board in geometry. When it came to algebra, I found that algebra and I didn't get along together very well. (Laughs) I wasn't as good in algebra. But then we got into solid geometry and trigonometry, I got a 93 or 94 in my college board exam. So my mind worked in spatial relationships like trigonometry and geometry and so on, but when it came to the theory or philosophy or whatever involved in algebra, I wasn't very good at it. And the same thing came through in college. When I went to college, I took analytical geometry and I did very well in it. Then I got into calculus and I damn near flunked it. I don't know, my mind just didn't function in that area.

But the Punahou years were, you know, it was a happy time of growing up. Relations in the family were all good. We had cousins at Punahou and second

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cousins at Punahou. Of course, at least you knew almost everybody. Of course, the school was much smaller. And I think our class only had something like eighty people in it. So we got to know people very well. And the family by that time had a car, maybe two cars. So we could borrow the car, or one of my friends would get a car and we'd go off bodysurfing around the island (on weekends). I never was very good at surfboarding. But we bodysurfed all over. The boards in those days were very different. They were made out of redwood and they were very heavy. And they were too heavy to carry. They had automobiles and all this sort of thing. So we just said, you know, the heck with surfboarding, we'd go bodysurfing because there was bodysurfing all around the island, different places. We went to Waikiki yeah, sure, I had a surfboard at Waikiki. I think I was a member of the Outrigger [*Canoe*] Club for a while. If not, we had friends who had beach places out there and you could leave your surfboard out there with them. I remember the family had a friend. I think he was the head of one of the big railroad companies in the East, and he had a stroke. And he came down here to live, and he got the front cottage at the Halekulani, and he kept it for months. And so he enjoyed having us come out there, and let us keep our surfboards out there.

WN: While you were at Punahou, did you have any idea of what you were going to be doing? I mean, was it tracked for you by your father and grandfather that you were gonna take over, at that early time?

FL: I think there was a certain amount of that in it, but—and I think maybe, I think I more or less sort of felt that that was a responsibility, sort of. But when I went away to college, I began to get very different ideas, and I looked for jobs on the Mainland, and sought jobs on the Mainland, and had offers on the Mainland, and I remember when I finished college, I definitely had the idea that I was going to stay there. But whether my father sort of got wind of this or not, I don't know. My uncle, Sherwood, who is Dad's next brother to him, was then treasurer of American Factors. And I remember going to dinner one night with my aunt and uncle, in Boston. And after dinner, we were sitting around, and he turned to me, and he said, "Fred, what are your ideas on work after you finish?"

And I said, "Well, I haven't made up my mind yet." I said, "I sort of would like to stay in the East and work for a while, and sort of prove myself and maybe try something different."

And he turned to me in a very sort of a, almost sort of a commanding way, and said, "Look," he said, "things back in Honolulu are very bad at this point." He said, "You were told by your father three years ago that he couldn't afford to give you any more money, and you've been on your own and working your way through." And he said, "Things at Lewers & Cooke are pretty bad." And he says, "Your father needs your help." And he said, "I think that it's up to you to come back," and so on.

Well, that was kind of a thunderbolt to me, because I hadn't made up my mind to come back. But then, all of this guilt sort of came back, as if, you know, well, gee, it's my obligation, maybe, to go back and help my dad.

(Taping stops, then resumes on next tape.)

WN: Okay.

FL: Anyway I, as a result of that discussion with him, I sort of felt that, that I really had to come back, and Dad did come back to my graduation. And I guess at that time, I had written him and said that I would come back. And so he was East on business and came up to graduation, and he went back to Honolulu right away, and a group of us drove across the continent. As we did, whenever somebody would have a car, we'd drive across. And it was by far the least expensive way to go, because we could drive night and day by rotating. Take four guys, you'd have, the idea was to have two guys in the front seat, two guys in the back. One guy driving, he never drove for more than an hour. The guy that was sitting next to you would be the guy who was gonna drive next. And he would keep an eye on you to make sure you didn't go to sleep. And two guys in the back of the car had already had their turn at driving and got what sleep as they could in the back. And then we just more or less drove, sometimes twenty-four hours a day (chuckles). And we'd go across the continent in three days. Even in those days, when the roads were not all that good.

Well, anyway, to answer your question, so I came back to Honolulu, and the first job they gave me was to start taking inventories. We had so many items of merchandise—it was in the thousands—because we had hundreds of tools, or literally, maybe a thousand different tools. We had plumbing supplies, we had all builder's hardware. All the types of things that went into builder's hardware in those days. All the things that made up locks. And in those days, you didn't have locks like you do now, they were made up from other parts to some extent. And then, we were in the lumber business, we were in the glass business. We had a pretty broad range. We were even in the wallpaper business in those days. We even had wallpaper. Now, I guess wallpaper has come back, nowadays, but it went out I know. We even had rugs, we sold rugs. We sold Chinese rugs. We sold Persian rugs, and so on. That was out of my field, though, that was too much for me.

But anyway, I was—so we took our inventories four times a year, at three-months interval, because to take it all at once, you would have had to shut down the whole organization. So by taking quarterly, we had an inventory crew that sort of did this work, and they sort of put me into that, and trained me to do that. So for the first five quarters that I was at Lewers & Cooke, I did nothing really, but take inventories. But it was one hell of a good way to get experience in knowing something about the materials and what we carried and what I was going to have to sell for the rest of my life if I stayed at Lewers & Cooke.

WN: Now, this is in '34, after . . .

FL: This was in '34. So I got back—we were married in—wait, wait a minute, I wasn't married then.

WN: Yeah.

FL: I came back here. I came back here right out of college. And so I got back here, I suppose sometime in June, and I worked in June—here, I wrote this down to keep it straight. I came back here in June, probably started work in June of '34, when I got back. Maybe June, July, or August. And I worked the rest of that year and 1935, and I could see that Lewers & Cooke, having gone through the depression, we're just barely beginning to see the signs of coming out of the depression. And we had taken a horrible licking. Lewers & Cooke almost went broke. City Mill did go into receivership, at that time. Only at that time, they didn't, the bank took 'em over, and put their own man in to help run it, and pulled City Mill out. And we were all in real deep difficulty at that time. There just wasn't enough business to go around. I'm afraid we're headed for the same damned thing again, right now. I mean, I think we're at the beginning of it. But, that's another story.

WN: So the depression really affected the business.

FL: Oh yeah! My brother, Dwight, who—that's Dwight H. Lowrey—who went to work first for the Bank of Hawai'i, and then was at Cooke Trust Company. And then when Cooke Trust Company merged with First Hawaiian [*Bank*], he moved over with them. He later retired as an officer of First Hawaiian. I remember Dwight telling me this story, that Dad came home one night, and said if we hadn't gotten a sale of a little over a thousand dollars today, we would've been on the verge of being broke. And that's how serious the thing was. And so, in thinking back, it was probably that sort of thing that triggered my uncle to—when he came back on business—to see me, and tell me how serious the situation was, and that my father needed help, and he thought that I ought to come back to Honolulu, and go to work there. Rather than stay in the East, and get the extra experience in the East.

WN: Was it unique, the depression on your business, was that unique to that type of business?

FL: I missed you on that.

WN: You know, the depression affecting building supplies . . .

FL: Right.

WN: . . . business. Was that a unique thing to businesses . . .

FL: Oh, I think all businesses were very seriously affected here, some more than others. I think a lot went out of business during that time, but I don't know, because I wasn't here. See, I wasn't here from '29 to '34. But things were very, very slow when I came back in '34. On the other hand, I could see being young and having decided I was gonna come back here and go to work, I wasn't going to sit back and do nothing. My job was to try and, you know, take this company and move it forward, even though I was just a lowly inventory clerk at that time. Having gone to Harvard, I graduated from Harvard with honors, so I must have done reasonably well. But my ambition, if I was gonna come back here, was to do something with this. And to make a career out of it. And so I studied our situation, really night and day. I lived with the family. And while I, you know, I went out and dated, and all of this sort of stuff during that time, I spent a lot of time studying where Lewers & Cooke could go, how soon we were gonna come out of the depression, how best to try and bring it out of the depression. And try and give as much ingenuity and new thinking to the company, because, you know, they'd been through the depression. It really knocked 'em out. It was like a real bad body blow. And so, I came back, though, fresh from that, not having experienced it, and so my job, as I felt, was to do everything I possibly could to find ways and means of starting to expand the business where we could see opportunities. So I immediately talked to Dad about bringing in new, younger guys who had good experience and had capabilities of moving ahead and moving up the line. And so we started gradually hiring during that latter part of '34, and also '35. We hired several very capable guys who later went on to become vice presidents and actually presidents of subsidiary companies, that we hired at that time. So I think we did a fairly commendable job of picking out kids, and so on. One was Gibby Rietow. I don't know whether you knew the Rietow family here now. Gibby was a very capable guy. He started in at that time.

WN: R-I-T-O?

FL: R-I-E-T-O-W.

WN: Oh, okay.

FL: And he was tied in with the Gibson family. I think his mother—I don't know whether his mother was a Gibson. R. Gibson Rietow, I remember, was Gibby's name. And he unfortunately died after he retired, of cancer of the jaw. Very, very sad story. Gibby, in the whole time that he was at Lewers & Cooke, which was probably forty-something years, never lost a day of work. But he smoked a pipe, and the day that he retired, he got word from the doctor that he had cancer of the jaw. And I remember the dinner party that had been arranged for him at that time. And I went and he and his wife were there, and I noticed that they were kind of subdued, and so on. And I didn't know, of course, at that time what it was. And I only found out later. But I think Gibby lived for about two or three years. But, oh god, cancer of the jaw is awful. I never would go through it. I would find some way to make an exit

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to, rather than go through that kind of thing. And, Gibby, he was tough.

Anyway, we hired several guys that went all the way on up the ladder. Others left us. I always felt that I never kept a guy, or never urged a guy to stay at Lewers & Cooke, unless we were absolutely sure that we had the right spot for him and that he was sure to be able to move on up the ladder. I always felt it was wrong to tell a guy to stay on, unless I was sure of that, or unless the others in the company were sure of that, because, you know, if he wanted to go out and try something else, I felt that he should have that opportunity. And that a manager or a boss should never hold somebody back, say, give him the runaround, and say, "Well, you know, you're gonna get promoted, or we'll give you a raise," and so on, and keep him on, unless you could really be sure that that was gonna be. So we did lose. We did lose several guys who went on to do very well in other companies. But at the same time, I'll never regret it, because I never was sure that we could take care of those guys.

Anyway, in 1935, in my zeal to try and get some of these things going, I made a lot of—well, I stirred up a lot of trouble. And a lot of the old-timers, who had unfortunately gotten into their ways of things during the depression, and so on—which I don't criticize them for—but, they weren't able to bring themselves out of it and see the opportunities. And so I came along, here I was, a fresh, young kid, and the boss' son, which made it all that much more difficult. I got myself into trouble with a lot of the guys up the line.

WN: So, I mean, what was—what changed? I know you said you brought in some new people, but what else?

FL: Well, okay, several things. I saw the need right away, that we were stymied. I put a map out here for you. At that time, I could see that we were absolutely limited as to expansion.

WN: You were over in, on Queen Street.

FL: We were on King Street, 177 South King Street. And we were really stymied. Here we were at 177 South King Street, we had had a lumberyard property years before down at Iwilei, but that had been tied in with the fact that in those days, the lumber to the plantations all moved by railroad. So when the railroad started to [decline], and the trucking started to come in, we gave up that property, and it was leased property anyway, we gave that up. So we didn't own that property. (We leased) the headquarters here at King Street. And right down here a few blocks, at Kawaiaha`o and Cooke Street, we had our warehouse, and lumberyard. Kawaiaha`o and Cooke Street was the warehouse, and, let's see, Queen and Punchbowl was where we had our lumberyard. It's right where the state transportation office building is.

WN: Oh, okay.

FL: State transportation . . .

WN: Oh, Queen and Punchbowl, all right.

FL: Yeah. That was Lewers & Cooke property, we owned that.

WN: So you had three then, at that time.

FL: We had three locations.

WN: Three locations.

FL: But we were limited there, because everything had grown up around us, and the civic center was moving right into us. And we knew if we didn't get out, that, you know, they'd condemn the property. And I could see that in 1934, it was clear enough to me then. So besides building personnel to take care of the future, I saw the need of building capital and also expanding our land. And while I didn't have anything to do with any planning, and we didn't have any planning organization—I'm more or less the sort of, just did it on my own. I've always loved to plan. I've always liked it, comes sort of naturally to me. So I saw this, I saw this all. And I said, "You know, if I'm gonna come back here, and this is gonna be my career, I gotta have somewhere to move to. I can't stay here and be frozen in by the limits of the land that we own." (Lewers and Cooke was not psychologically prepared to consider land expansion in 1935.)

(In 1935) we had first made progress in increasing our staff with capable people that could move ahead, and also young guys who hadn't been burdened by the tremendous depression that everybody went through. You know, the depression is not only depression in business, but it's a depression mentally, because your salary is cut. For instance, the reason my father wrote me the letter in college—and I remember the letter. He said, "Fred, I've had to cut salaries." He said, "My salary was, as president of Lewers & Cooke, was \$12,000." He said, "I felt it was my obligation to take the biggest cut, so I cut my pay 25 percent." He said, "I took my next echelon of people and I cut them 20 percent. The next echelon, we cut 15 percent." And then I think everybody below that was cut 10 percent.

And that's the only way we survived, was by cutting expenses that way, and not rehiring, so that our number of employees dropped during that period of time. But we tried our best to keep as many people as we could, during that time. (One other very important improvement which developed out of taking inventories for a year, was the realization of how little we knew we had in stock, or how much we had on order and on the way, and sales of each item in inventory. So, during 1935 we began the development of a perpetual inventory and daily sales-card record system. IBM does it automatically for you today; but we had to do it manually day by day, but this was fifty-seven years ago. It was a great sales help. We were following the market closely

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and were more likely to have ordered something and had it in stock in a growing community. It also made actual inventories easier to take. Ordering was triggered and we knew what we had on the way and what we had in stock. Slow-moving items could be cut back on. Our inventory dollar was more efficiently invested. This system kept us in touch with the market and allowed for faster price changes to fit conditions and increases or decreases in inventories as the building cycle kept changing.)

WN: Did—you were more or less put in charge of the land acquisition?

FL: Well, I wasn't put in charge until after I came back from college, I mean from [Harvard] Business School, and at that time, I recommended that we form a formal planning committee. And the directors did that, and they put me in charge of it, but that wasn't until after business school (in late 1937 and early 1938). (In 1935 I had attempted to do too much too fast, but we did get things underway.)

WN: So prior to business school, you were more or less in inventory (and inventory controls).

FL: (Yes.) Oh, and the other thing that bothered me was that our equipment, I felt, was old, and not really up to date. And so I put in a argument that we increase our equipment and try and get some more modern equipment and so on, which we did. And then other guys carried that on, while I was away at school [1936-37] (and put the perpetual inventory control system to good use).

(Getting approval to put in a fairly uniform inventory and buying control system in a hurry—because it was badly needed for maximization of the profit control of our inventory dollars—did antagonize some of our merchandise department heads who had for years handled their buying in their own informed and individual ways. This made it difficult for top management to supervise or control assigned inventory dollars. So I ran into disagreements with old-time department heads.)

(We also completely modernized the whole first floor sales display. It was widely complimented by our customers. But again, being in overall charge of it, it had to cause some friction with individual merchandising department heads. So again to get it done caused some friction even though the overall efficiency of the total display area was greatly improved. But I had to keep pushing to get these improvements agreed to by old-timers who had done their thing their way for many years.)

So I got into trouble with a lot of these other people. And I went to my father, and I talked it over, and I said, "Dad, you know, I'm in trouble with these other people."

He says, "Yes, I know." And he says, "I'm a little bit concerned about it."

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(Laughter)

FL: But I said, "You asked me to come back here to help." And I said, "I've tried to do it, and I'm sorry that I've stirred up too much trouble." And I said, "Maybe the best thing for me to do is to ask for a leave of absence."

And he said, "Well, what have you got in mind?"

And I said, "Well, I'll ask for a leave of absence to go back to business school." Then I said, "It's a way of getting me out of here, legitimately, and it won't cause too much trouble. You've got younger fellows in, that we've brought in, who can help you, and do some of the things that I've been doing. And others, you'll find while I'm away at business school, and hire them. And then, while I'm at business school, why, I can learn all the things that I think I need to if I should want to come back here, or if things are such that I decide I don't want to come back here, why, you're still moving ahead and we've at least laid the groundwork with the staff growth and with the major (improvements in inventory control) that we'd made. And with the equipment and so on. At least you've got the opportunities now, to grow." Which we didn't have before we started this. (We could add to our warehouse buildings and look for more space.)

So I put in for a leave of absence and I left in December of '35, and went back to business school. And arrived back there in January, and they had at business school, what they call the extra session. So many guys who went to business school, didn't like it, or couldn't make the grade, that by December, a lot of guys had dropped out, or they fired a lot of guys, so they had what they called an extra session. And you started in, in January, and then you went right through the summer. You didn't get any summer vacation, and the next year, you started in your second year. So I got into what was called the extra session, in January of 1936. So went through that summer. I couldn't afford to come home that (short one month) summer, so I (made a trip West and called on several Lewers & Cooke suppliers). And then, went to business school again and finished in 1937, but I did not graduate. They flunked me out. (Chuckles)

I think the reasons were twofold. One was that I sort of thought that I had an idea as to what I wanted to do, because of my Lewers & Cooke work, and the things that I wanted to (spend) my time (on). And then also, I met a girl that I was quite interested in. We got engaged sometime (in 1937).

WN: You were married in '37, though, right.

FL: That's right, I went back in '36, so I met her when I got back there. I had known her when I was in college, but it was no thought of anything other than, you know, just friends at that time. So we were engaged, I think, probably in early '37. And then we were married in September of '37. She

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had a car, and so we drove the car across the continent, and brought it out here. And we took a month driving across the continent, had a wonderful time. And then brought the car down here.

So we got back here, and I started work here again in, probably November of 1937.

WN: Were any—did you notice any changes between '35, when you left, and '37 when you came back?

FL: Yeah, we had hired some additional guys, couple very capable. One went on to become assistant treasurer. But then he left us and went out on his own. And several others. I can't remember 'em all now. But we did have a—with bigger staff. Things had changed a lot during that time, in that the whole attitude had changed and there was more of a feeling of expansion, business was beginning to pick up.

WN: The effects of the depression were . . .

FL: Well, it wasn't over, by any means. We really had a hard time in '38. And even toward the end of '38, things weren't all that good. But we did have the basis at that time, the ingredients had been put together to grow and so on. And we'd made further (merchandising) contacts on the Mainland. And as a matter of fact, the summer that—let's see, I said I worked (for a month) that summer (1936 between extra sessions and the regular second year of business school). (They asked me to call on several companies on the West Coast, in the Pacific Northwest and San Francisco areas. I drove across the country again for a few dollars. What we had done in 1935 was paying off.)

WN: Did you already know at that time that you were flunking out, or . . .

FL: No.

(Laughter)

FL: No, I didn't. (I had passed the extra session with average grades and no signs of possible trouble.)

WN: Oh, okay.

FL: I'd passed (all my courses in) the first half (of the second) year all right, and all. But I talked it over with my wife-to-be, and I said, "You know, what do you want to do? What do you want to do with your life?"

And she was the oldest of four, and she had three younger brothers. And her family was very boy-oriented. And so she always sort of felt left out. So when she and I decided we were gonna be married, and we talked about things to do and the job offers that I had in the East, 'cause I kept looking for job offers

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in the East. And one of the things that I did was to, and one of the things that my father did, was to ask certain of the companies that we did business with, like Pittsburgh Plate Glass Company. We represented, at that time, Sargeant Builders' Hardware and, oh, (many) others. And I went around and interviewed them, or they sent people. They would always send people up to Harvard to interview guys at Harvard. And I remember being interviewed by several at Harvard. And I remember the Pittsburgh Plate Glass guy that interviewed me, because we became great friends. And he later came out here, and I entertained him a couple times out here. And he said, "Well, Fred, why don't you come to work for us at Pittsburgh Plate Glass, and work for us for a couple of years, we'll give you all the experience, and then go back to Lewers & Cooke."

And so I talked this over with Janet, and she said, "No," she said, "I'd rather go to Honolulu. She said, "I like the idea of Honolulu." She says, "I've never been there. I don't know exactly what it's gonna be like, or anything else," but she said, "I would rather go to Honolulu, and not stay here."

So when we were married in, as I said, in September, and we drove across the continent, got back here in November. And my family had found a house for us, up Nu`uanu. And we lived up there for several months. And then moved to a house up on upper Manoa Road. During that time, I asked her, "You know, where do you want to live in Honolulu?"

This happened right after we got back here. And so I said, "Let's just make it a job, and fun, and we'll look around and see where we want to live. Honolulu is an unusual place. You can get all degrees of climate. From the beach, to the mountains, to warm weather, dry weather, to wet weather. And so on." And I said, "Before you make up your mind, we ought to go around and try out all these places and see what you want to do."

Well, one day, we drove up Maunalani Heights, which had been built, and the roads had been put in, in about 1926, I think. The roads were up there, but it's almost all carnation gardens up there, in those days. There were very few houses up there. And we got up to the top, and we looked at this lot that was vacant, and she says, "This is where I want to live."

And so I went down and priced the thing. And it belonged to a Miss Ethelyn Castle, who built that big home up there which she later gave to the Queen's Hospital, and is now that retirement home up there. She owned all the lots above that, on the Palolo side. And so we bought one of the lots from her. And then later on, my wife discussing it with her grandmother and grandfather, she said that the lot was wonderful and she loved it. She said, "We really ought to have the lot next door to it, to give us room to expand, and maybe we can put a paddle tennis court there later. Or it would be a wonderful place for kids when we have 'em later, to play and that sort of thing."

And we were very fortunate that her grandfather wrote her back a letter and said, "Well, find out what you can buy it for, and we'll give it to you as a present."

So, god, we were (chuckles) just luckier than heck. And so we had those two lots up there. The address was 5045 Maunalani Circle. And we lived up there for—let's see, we built a small, we built a garage and a little room onto it, and a bathroom, I think in '38, or early '39. And then I think we finished the house in '39. So we moved up there, and we lived up there through the war years, but it was very, very difficult during the war years to get the kids back and forth to school, from up there. So—well, okay, I'm getting off the subject here, a little bit.

WN: That's okay.

FL: But we stayed up there until '44 or '45. We can get into that later, if you want to.

WN: Okay, yeah. So when you came back in 1937, you came back to Lewers & Cooke.

FL: Right.

WN: And then you started in the personnel department?

FL: Well, they gave me personnel, and then they formalized the planning group, (which went along nicely with personnel). And so we kept right on where we'd left off (in 1935). (But we added "longer range planning." Lewers & Cooke was ready now to think about more land and a possible consolidation of its operations, if it could put together sufficient land in the right place. We found, about one-half mile *Waikiki* at the end of Kawaiaha`o Street just beyond Kamake`e Street, nine acres of partially coral-filled swampland. This would be sufficient for our lumber operations. In the *Waikiki* direction there was another several parcels which, if we could get them land courted, would give us another four-plus acres which would front on a future extension of Pi`ikoi Street *makai* to Ala Moana Boulevard. If for some reason we failed to secure that we had the probability of leasing long term all the land we needed from the Ward Estate, which owned the land *makai* of this nine acres. We completed the purchase of the nine acres in 1939, which was first called the Kalia property because it lay in the district of Kalia. Our preference was to get the parcels extending our property over to Pi`ikoi Street, but we were not able to buy this parcel making up the full 14.7 acres until 1942.)

FL: (We bought an additional four acres from the Dillinghams, who had beaten us in getting control of
the various "title-poor" parcels in order to protect their very large acreage which included
everything from Kapi`olani Boulevard to Ala Moana Boulevard, which some

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years later became

the Ala Moana Shopping Center. We were no threat to future Dillingham plans for their then

coral-filled swampland, so we were able to secure the parcels at a reasonable price and did so in

1942. Some of our directors thought we might become "land poor," so our attorneys held back. But

we did accomplish our objectives.)

(With the 500-foot frontage on the new Pi`ikoi Street extension to Ala Moana, Lewers & Cooke now had the total acreage, in fee, to handle all of their planned operations for years to come. And we gave it the name of 404 Pi`ikoi Street. The frontage on Pi`ikoi Street extended `ewa along Waimanu Street giving us the 14.7 acres. The *mauka-makai* width varied from over 500 feet at about the middle to less at the `Ewa end.)

(We bought these properties when the areas were still not zoned for industrial use. But we were able to show the planning commission conclusively that it was in the city's best interest. We got approval and in 1942 the mayor and commission asked me to fill a vacancy which I did for some years.)

WN: The land that Ala Moana Center stands on now was nothing but (below-level) coral, right, at that time?

FL: It was (partly) swamp. (Early on, all land *makai* of King Street was below useable grade, except for some portions.) It (had) some coral in it. Parts of it were high enough above grade so that—well, let me go back, well, we're not up to the war period. Oh, yes we are, we're partly. During the war period, a lot of it got filled. For instance, I was always looking for fill. Everywhere I'd go, where I'd see somebody had some fill, I'd go see 'em and say, "Can we get that fill? We'll give you a place to dump it for free."

And right after the war, the military governor came in and told Hawaiian Electric [Company] they had to take down their two smokestacks that were where the present plant is. So sure enough, they had to tear those two stacks down because they were thought to be a military hazard, in that they could be sighted from further at sea, and were subject to airplanes coming in if they came in. So what I did was, I went to the contractor who was taking it down, and I said, "I'll give you a place to dump all of those smokestacks." So I got the two smokestacks (laughs) from the contractor. Because he had no place to dump 'em. Would have cost him money to dump 'em. I gave him a place to dump 'em for free. So, you know, I kept thinking all along, how we're going to do better here. My whole focus, I think, was to try and build. Anyway, I'm off the subject again.

WN: So you did it with the idea of eventually putting the whole operation over at Pi`ikoi?

FL: You're right. (Our) whole objective was to get the company into a position where it could (grow and operate more efficiently. We were now ready to draw up plans). We'll have to cover the war period. But during the war period, we did some really, looking back on it now, really some good moves. In getting additional cash in and so on, to finance this development that (we were planning for).

WN: Okay. We can talk about that when we get to the wartime. I was just wondering, so the idea was to get out of Downtown. Eventually get rid of the King Street property and the Kawaiaha`o area, did . . .

FL: Well, I knew for sure, that this—well, it was obvious—the city, the civic center had moved up to—what's the name of that street?

WN: Bishop?

FL: No, the one going down alongside the lumberyard property.

WN: Kapi`olani?

FL: No, no. The *mauka* side was on Queen Street. It's the one that goes past the Queen's Hospital, down, what's the name of it?

WN: Punchbowl.

FL: Punchbowl Street. We knew the civic center had moved up to Punchbowl Street, so we knew that if there was gonna be an expansion of the civic center, it was gonna jump Punchbowl Street and we were there. And, you know, we couldn't stop 'em if they were gonna go, so it was logical to plan on getting out of there. And this had been clear to (us) in ('38).

WN: Okay. So, at the time of the eve of World War II, you had the King Street property that was still the main headquarters . . .

FL: Correct. (It was leased from the Wilcox Estate.)

WN: . . . of Lewers & Cooke. You still had the warehouse on . . .

FL: Kawaiaha`o and Cooke Street, (and on Kapi`olani Boulevard). (There was also one very important purchase that I have failed to mention to you. In 1937, it was clear with the way things were developing that we badly needed more warehouse space. Very fortunately we were able to buy a good-sized warehouse across Kawaiaha`o Street from us. We also acquired an old theater building on Queen Street which adjoined the first warehouse. So we now had added much needed warehouse space fronting Kapi`olani Boulevard, Kawaiaha`o, Cooke, and Queen streets. This was in 1938. This is why we could add so substantially to our inventories. With inventory controls,

our buyers were much better able to interpret market changes. We now had the warehouse space to house the merchandise, and we knew what we had in stock day by day, and what had been ordered and on the way. We had also added substantially to the warehouse three-story building, giving us much more space there plus a loading dock to fit new equipment and facilitate the handling of merchandise coming in and going out.)

WN: You had gotten rid of the Iwilei . . .

FL: We had gotten rid of the Iwilei (lumberyard) many years before.

WN: Okay, and then there was one more.

FL: Well, there was another small piece (on Halekauwila Street) which we had leased below the lumberyard property at (Queen and Punchbowl) We had a piece, maybe an acre or so, which we were renting from Bishop Estate. And where Bishop Estate later put their main office. Oh, and (in 1942) we bought one other piece of property.

WN: Yeah, on Pi`ikoi (and Kapi`olani Boulevard).

FL: There was a difference of opinion as to whether this piece (i.e., 404 Pi`ikoi Street, if we could buy it) could ever be a good storefront to take the place of King Street. So (we) found that there was a piece of property up here at the corner of Pi`ikoi and Kapi`olani Boulevard.

WN: Yeah.

FL: Yeah. At the corner of Kapi`olani and [Pi`ikoi]. So we bought a very nice piece of property (in 1942), which now has a big, about an eight- or ten-story building on it. And we bought that because the thinking of the planning group and the officers of Lewers & Cooke, and also the directors at that time, they couldn't quite visualize—and I'm not sure I could either, at that time—visualize having the main store of Lewers & Cooke down on Pi`ikoi Street. In other words, the thought was we'd been on King Street since 1901, maybe we needed to be Kapi`olani Boulevard to have our front. So we bought that piece of property, knowing, or at least feeling very strongly, went in with a very high probability, that we could sell it at a profit. So we weren't taking any risk, and apparently we had the funds, or the banks were willing to loan us the funds to buy the property at that point. So we had that piece of property at that time, which we later gave up, because after we started to move to the Pi`ikoi Street property, and concentrate everything there, it was very clear to me that we should not divide our operations, and have it separate, even though they were only a hundred yards apart. There was no need for it. The business had changed. It just didn't make sense to have it on another piece of property. So we sold that, which gave us cash to develop the other (large) property.

- WN: So [prior to 1942], just as the war was starting, there were some operations over at Pi`ikoi?
- FL: Yes, yes, oh yes. We (began to bring certain areas up to grade and began fencing as needed). We had some lumber on it. We used it as a extra storage area for lumber, as I remember it. I think that was all that we had down there at that time, (but it was available for any merchandise that did not need cover).
- WN: Yeah, I think you're right. I was looking over some articles, and it says here, 1941, "Lumber Operations Move to Pi`ikoi." So I think you were probably in the transition stage . . .
- FL: That's right. And we had to fill the property, and get it up to grade. And it may have been at that time that we negotiated, I don't remember the date, but I don't know just when we negotiated the sale, during the war, of the former lumberyard property at (Queen) and (Punchbowl) streets. (During World War II we got a good offer on this old lumberyard property and sold it for cash.)
- WN: But at the time of the December 7, you still had that property, because that was, you said that was one of the buildings that got shelled, right?
- FL: Right, right, right, right. And the lumberyard's office was there at that particular time, but in '41, we did start to move lumber to—well, we may have had some lumber in '41 down on this (new nine-plus acre property, but we still used the Queen Street lumberyard during much of the war).
- WN: Okay. And the King Street was mainly offices?
- FL: No, we had a lot of storage in that building.
- WN: Oh yeah?
- FL: There was a big basement in it. We had, well, pipe fittings and kegs of nails, and a lot of the very, very heavy merchandise was in the basement.
- WN: Okay.
- FL: And then on the first floor was practically all tools and display material. And then the second floor was plumbing display, and what we call a lot of furnishing, home furnishings display. And the third floor was our home building department and some additional office space. But a lot of merchandise was on the third floor, too, because on [*December 7*], 1941, it was that merchandise that got really, (chuckles) it got really thrown around.
- WN: Okay, why don't we stop here, and what I want to do is, the next time, we'll pick it up right around 1940, '41, and you got started into—you were

manager in charge of government sales.

FL: Well, we started the government sales (clearing system), it started in (late 1940). Well, there's a couple things leading up to '41, I think we ought to get into. Have you got tape?

WN: Okay, go ahead.

FL: Because I think they lead nicely into the other. Late in 1940, there was no question but what, we could see the potential of war being a possibility. If not war, at least the beginnings of problems. The government had started to build out at Pearl Harbor and south, *makai* of Pearl Harbor, (Hickam Field and air force housing and facilities), that whole development was built in 1939 and 1940. And we could see that the government was going to become a bigger and bigger part of our sales, even if there wasn't a war. So we had gotten the government (clearing) department started, I think, in late 1940, and in 1941, it was made very definite and I had charge of the government department by 1941, early '41. And we saw at that time, that war was at least a reasonably high probability, or at least we should be ready for it as a high probability. And a couple of things that proved this out, is that in August of 1941, we took out with Lloyd's of London, war risk insurance on all of our operations. So we were fully covered against war risk on December 7, and we collected on it.

WN: Was that pretty unique? I mean, was that a . . .

FL: There were a couple of others who did it. I don't remember who they were. We weren't the only ones. I don't remember who the others were. I don't think it was very common, no. I think there were few of us. So we had war insurance when the war started. Now, another thing that will give you an idea as to our feelings and why we were ready for this, was two-fold. One was the size of our inventory. We kept increasing the size of the inventory, during that year, to the extent that we could borrow funds and so on. (We had added very substantially to the land and warehouses at Kawaiaha`o Street. This has been related in other parts of this history. Also, inventory and buying control helped significantly.) And as of December 7 of that year, we were lucky to have the highest inventory that we had ever had in the history of the company. Again, I think because of the realization that things were going to get worse. Now, I didn't realize this until after the war, when the person who I'd written this letter to in October sent me a copy of it, but we, in our desire to try and build our personnel, I'd been discussing and had considerable correspondence with a guy that lives somewhere around Chicago, and who had a lot of experience in glass. And we had a man who was good in glass, but he was an older man, and we needed a younger fellow coming along. We didn't seem to have the right person who knew all the new ramifications of the use of glass and moldings, and all of that sort of thing. And so I wrote this letter and had been in correspondence with him. He was married, had two or three children. And we were at a point where we were in

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negotiations to get him to come down here. And as a matter of fact, the negotiations were just about final, and I, it may have been as a result of a letter of him trying to finalize it, or it may have been my feeling of impending trouble, that I wrote him a letter, something along this line, that we had been discussing the possibility of your coming down here and bringing your family, and becoming assistant manager of the glass department, and so on. I said, then went on something like this, "Things have degenerated in the Pacific, in our opinion, to such an extent that we feel it would be very unwise to bring you and your family down here at this particular time, and therefore I'm writing this letter to terminate the discussions with you." And then I told him how sorry I was to do it, but that I just felt that it was very, very unwise to bring him in, who'd never been here before, his family, wife and two or three children, down here at a time when we felt things were getting bad

Now, I forgot all about that letter, until the end of the war. The guy saved the letter, put it in his file. And at the end of the war, he sent me that letter. Unfortunately it got destroyed, so I don't have it, but I can remember it very, very clearly. And so he never came, fortunately, but it does give you—the reason I bring it up is, it gives you an idea as to how concerned we were in October as to where we were going, and how close we were getting toward the potential, or possibility of a war. How much higher probability there was of it.

And then, two other things. At that time, they began to form block wardens around Honolulu, in some areas where people were concerned, and we as a business had a block warden system for each one of our locations. For instance, downtown on King Street, we built on the top of the roof, a little shelter, with another roof on it. It had sandbags around it. We had to reinforce it from underneath. It had food and water in it, and so on. And quite a—well, we had, I don't know how many gallons of water up there, but we had quite a bit of water, so that if a fire started up there, we would be able possibly to put it out. We had the same thing down at the warehouse building down at Kawaiaha`o and Cooke Street. Again, we had thought the thing through to an extent where we were at least, you know, partially prepared for a possible attack. So there was a feeling on our part, and I think it was at least fairly prevalent in the community that we were getting ready for *pilikia*, and that *pilikia* was going to come.

And then, the other thing we did was every location had its own block warden-type organization, the same way block wardens around in the neighborhoods had them. And for instance, my job was the warehouse, and I was responsible for the warehouse. So the first thing that I heard that morning, of Pearl Harbor, which we can come to later, that there was trouble and that, and I saw through my telescope, I saw that Pearl Harbor had been attacked, but I couldn't prove it, except by my eyes there. My job was to rush to the warehouse, as soon as my family was taken care of, because that was my responsibility. If you read this letter from my father, the interesting thing is, he says somewhere in here, and I don't know where, but we can pick it out

later. He said he didn't know when he got down to Lewers & Cooke that morning, himself, that we were at war. Now, I had tried to get back to him, but the telephone system went out very shortly after I got that call. Something apparently happened where—I gather in a telephone system, if too many people pick up their receivers at one time, the voltage drops, and it goes out. And so I wasn't able to reach my father, but I knew my responsibility was the warehouse. I knew somebody else had the responsibility, I think was Lewers Paris, for the [main] building. And so I could go to the warehouse, knowing that, or hopefully knowing that he knew there was a war on, and so on.

WN: Now, who set up this block warden system?

FL: We did, as a group.

WN: I mean, as a company?

FL: As a company.

WN: Yeah. So it wasn't . . .

FL: But the community did it too. That is, parts of the community did it.

WN: Yeah, those that were forward-thinking . . .

FL: That were thinking, thinking ahead.

WN: Yeah. So this is really not the same as the block warden system that was established after the bombing took place.

FL: No, but it was that . . .

WN: Same concept.

FL: . . . that followed it, that became an elaboration of this thing. But we had it within the company. And I had a couple of guys who were my assistants, and they knew that if something happened, I was to get in touch with them. Well, unfortunately, that morning, I couldn't get to them, so I went down myself, and was able then, later, to get them into—but we can cover that when we get into it. But my father writes in here [*i.e., a letter from Frederick D. Lowrey*], very interestingly, and I can't find it right now. Well here, he says, "On the morning of December 7, I was at breakfast with Mrs. Lowrey and our daughter, when there came a telephone call," apparently he got one too. I don't know, maybe I was the one who told him, maybe I did get through. Anyway, he got a telephone call. He got a telephone call that an explosion had occurred on the top floor of the Lewers & Cooke building, which had set off our fire alarm gong. No, if I'd called him, I would have told him that we were at war, because I knew it at that time. So he didn't get the telephone

call from me. He got it from somebody else. But when he got down there, Lewers Paris was already there, and he was a vice president. (Either the fire department or Lewers turned the automatic sprinkler system off, seeing no fire had developed. This prevented more water damage than there was.)

What else would you like to cover today?

WN: Well, I think that's about it. I wanted to get, I want to get into next time about, you know, we're talking about preparation, you were made in charge of government sales, and what you did was consolidate . . .

FL: Right. We had made . . .

WN: That was in, also in anticipation of . . .

FL: Well, we had made quite a consolidation. We had made a major consolidation in 1940, I mean early '41. And we ran all during 1941, consolidated, with our government sales, which was very fortunate, because we were able to make the change over very, very quickly.

WN: What do you mean by a consolidation of government sales?

FL: Well, they gave me space. We had started to make some moves of merchandise out of the King Street office building, and into the warehouse building. And I was given space on the second floor, as I remember it, it was the back half of the whole plumbing department. And so we had half of one-third of the second floor of the King Street building, and I had my whole government staff in there. We had a big table, as I remember it, where the salesmen would be out, and then we'd come in, and we had girls and clerks, and so on there. And then they'd go through all the routines that we'd set up, to make sure that we had proper validation on everything and the purchase orders were all properly done and so on. Because, you know, the government was getting further and further into this thing, they were building an organization very fast, and they didn't have people who knew the intricacies and the problems of taking this step-by-step through. And we didn't want to get into the situation of having taken orders, and filled orders, and then not have the proper documentation to prove that the government owed us money. We had enough of this anyway with the best-laid plans. We had a hell of a problem for a couple of years, which we can get to later. But I think we were able to foresee a lot of these things, the potential of 'em coming. So I had the whole government department set up during the year 1940, and we were ready to operate as of that morning, December 8, Monday morning, when the orders started to rush in.

WN: Yeah. So December 7 really wasn't a total shock to you.

FL: Well, it was a hell of a shock in a way, but we had done some good planning, even if I do say it. I think . . .

WN: Maybe even more than the government themselves (laughs).

FL: Oh yes. In many respects, we were much, much better prepared for it (in our own small way).

WN: Let's hold that thought and why don't we continue next time, right what we're talking about right now.

FL: Okay.

END OF INTERVIEW